

Engaging the diaspora in India

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Engaging the diaspora in India
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Engaging the Diaspora in India

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Abstract

The Indian overseas communities are the result of different waves of migration. Acknowledging that country's migration history and current conditions of migrants influence these perceptions, this paper begins by describing Indian migration from the early colonial period to the present day and presents the current geography of diaspora with exposing the main concentration areas. We then go on to lay out current policies and institutions that shape Indian diaspora engagement. Special attention is devoted to the set up of the Ministry of Overseas Indian Affairs (MOIA), which serves as a single stop agency for any kind of matters relating to overseas Indians and is meant as a focal point for overseas Indians, immigrant organizations, as well as for trade, industry and any other organization with stakes in overseas Indian affairs. By setting up the MOIA in 2004 and dedicating sufficient time and resources for support of institutions, the Government of India declared its long-term commitment to reach out to their migrants. Moreover, the Indian government has signed a number of agreements for bilateral cooperation with the main countries of destinations and takes an active part in regional and global initiatives for migration management. India has, in this way, already emerged as a leader in this field with one of the most comprehensive state level diaspora engagement policies, which makes India's institutional practices particularly interesting to observe. The chapter summarizes with the discussion on the current debates, pointing to the continuing renegotiation of diaspora's involvement in the development of India.

Keywords: India, Diapora, Diaspora Engagement, Migration and Development

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1. Introduction

With an emigrant origin population of over 25 million people in 189 countries around the world, the Indian diaspora abroad constitutes the second largest migrant community in the world (Castles 2008, MOIA, 2010). With India's population now at a staggering 1.2 billion people, the diaspora abroad make up about 2 percent of the Indian population. The Indian diaspora is currently contributing to large flows of money to India. Remittance flows are currently estimated at around \$46.9 billion and NRI deposits are worth \$ 513 million (MOIA, 2010).

The beginning of India's early migration is rooted in its colonial history with the United Kingdom but has changed in shape and dimension over time. Historically, most of India's migration has been for economic reasons.

India has their own distinctive classification for their diaspora. Persons of Indian Origin (PIOs) are usually persons of Indian origin who are not citizens of India. The Indian government considers anyone of Indian origin up to four generations removed to be a PIO. Non resident Indians (NRIs) are migrants who hold Indian citizenship and have moved to another country, persons of Indian origin who are born outside India and hold Indian citizenship, or persons of Indian origin who reside permanently outside India and hold Indian citizenship. PIOs and NRIs together make up the Indian diaspora.

It has been mainly only in the last decade that India started to look seriously at a diaspora policy. In 2004, the Indian government set up a new Ministry of Non Resident Indians' Affairs, which later became the Ministry of Overseers Indian Affairs (MOIA) after a report was commissioned in 2000 to look at the situation of the diaspora abroad (Khadria, 2009). Before this time, India was not interested in their migrants and even thought of them as traders in some circles.

This chapter is written based on a thorough review of the literature, interviews conducted in February 2009 and based on the proceedings of the conference entitled India-EU Partnership in Mobility: Data agreements and Policy Immigration held 21-23 February 2009. In this chapter, we begin by describing the history and geography of emigration from India, covering from the early colonial period to the present day. We then go on to lay out current policies and institutions that shape Indian diaspora engagement. Then, we discuss the current debates around the issue of migration and end with a concluding section.

2. History and Geography of Emigration

Since the early 19th century, India has been an emigration country. With early roots in British colonial history, India acted as a source country for migrant labour. Indian laborers were sent to British colony plantations in the Caribbean, the Indian Ocean, North and South east Asia, Africa and the Pacific to supply labour between the 16th and 18th century (Khadria, 2009). Particularly after slavery was abolished, there was need for large scale labour recruitment in the Atlantic, Pacific and the Indian Oceans and under the 'Kangani System'³ to destinations in South East Asia (MOIA, 2010). These migrants went abroad mainly in the form of indentured workers creating the base of the old India diaspora (Khadria et al., 2008). It is estimated that between 1834 and 1947 30 million Indians migrated (Davis, 1951). When we speak of contemporary Indian migration, this constitutes the last 175 years (Khadria, 2009).

After WWII, Indian communities dispersed all over the world (Vezzoli and Lacroix, 2010).

India gained its independence in 1947 and with it a complete reorientation towards migration from previous South-South migration to South-North migration (Vezzoli and Lacroix, 2010).

In the 1950s low skilled migrants went to the United Kingdom, United States and Canada (Khadria, 2009).

In the 1960s and 1970s, flows increased to the United Kingdom, the United States, Canada and Europe more generally after Indians were expelled from newly independent African countries

³ Kangan system refers to a method of recruitment, where one of the workers was sent back to India to recruit new men and women, usually from his own region and caste (Rangaswamy, 2000)

(particularly Kenya and Uganda) (Khadria, 2009).⁴ The 1962 and 1971 Commonwealth Immigration Acts limited temporary migration from India to UK through restrictive immigration policy which increased settlement. Women and children soon followed the predominantly male migration through family reunification.

Giri (2001) has identified four waves of immigration of Indian citizens to Europe, with the first wave beginning in the early 1960s when Indian migration to Europe mainly consisted of movements of indentured labourers from former colonies to Europe. The second wave of Indian migration to Europe, referred to as the “new diaspora”, occurred mainly during the European re-construction boom in the late 1960s. During this period a considerable number of labour migrants of Indian origin decided to settle in Europe. Whereas most migrants moved to the UK, other major destination countries included Germany, The Netherlands, France and Belgium. The third wave of Indian migration to Europe was in the 1980s, following the restrictive immigration rules of European countries with respect to entry and residence of semi- or unskilled third-country nationals. This changed the dynamics of migration as a continuous stream of highly skilled professionals, such as doctors, engineers and scientists arrived from the Indian sub-continent. A fourth wave of immigration to Europe took place in the 1990s, consisting mainly of Indian IT software specialists and has continued until today.

In the mid 1970s there was also a large flow of low skilled immigration to the Gulf states due to the oil boom, attracting emigrants mainly from Kerala and Southern India who returned after the completion of their contracts (Khadria, 2009).

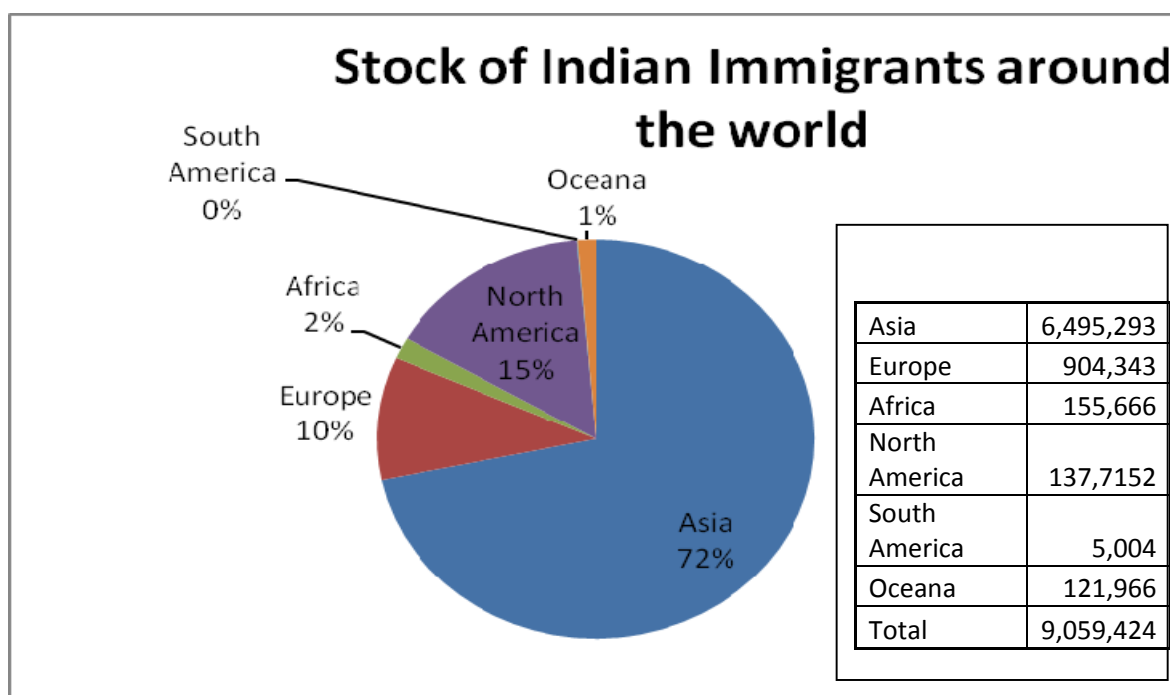
2.1 The current situation

Today, India has over 25 million people around the world. According to Ratha and Xu (2009), the top 10 destination countries for Indian emigrants are: United Arab Emirates, Saudi Arabia,

⁴ This included the movement of Indians from Surinam to the Netherlands, from East Africa to the UK, from Madagascar, Mauritius and Indo-China to France and from Mozambique and Angola to Portugal.

United States, Bangladesh, Nepal, United Kingdom, Sri Lanka, Canada, Kuwait, and Oman. The emigration rate of tertiary educated individuals was at 4.2% in 2000. It is mainly low skilled workers in the Middle Eastern countries and highly skilled workers in the United States. The United States is the most favoured destination for highly skilled immigrants with Canada falling in second place. Currently, 90 percent of unskilled labour from India flows to the Gulf countries, particularly the UAE, Qatar, Kuwait, Oman and Saudi Arabia (Vezzoli and Lacroix, 2010). India has also become a host to many immigrants. In 2005, 5,700,147 immigrants were estimated to be in India, originating mainly from Bangladesh, Pakistan, Nepal, Sri Lanka, Myanmar, China, Malaysia, United Arab Emirates, Afghanistan, Bhutan (Ratha and Xu, 2009).

Figure 1: Stock of Indian immigrants around the world



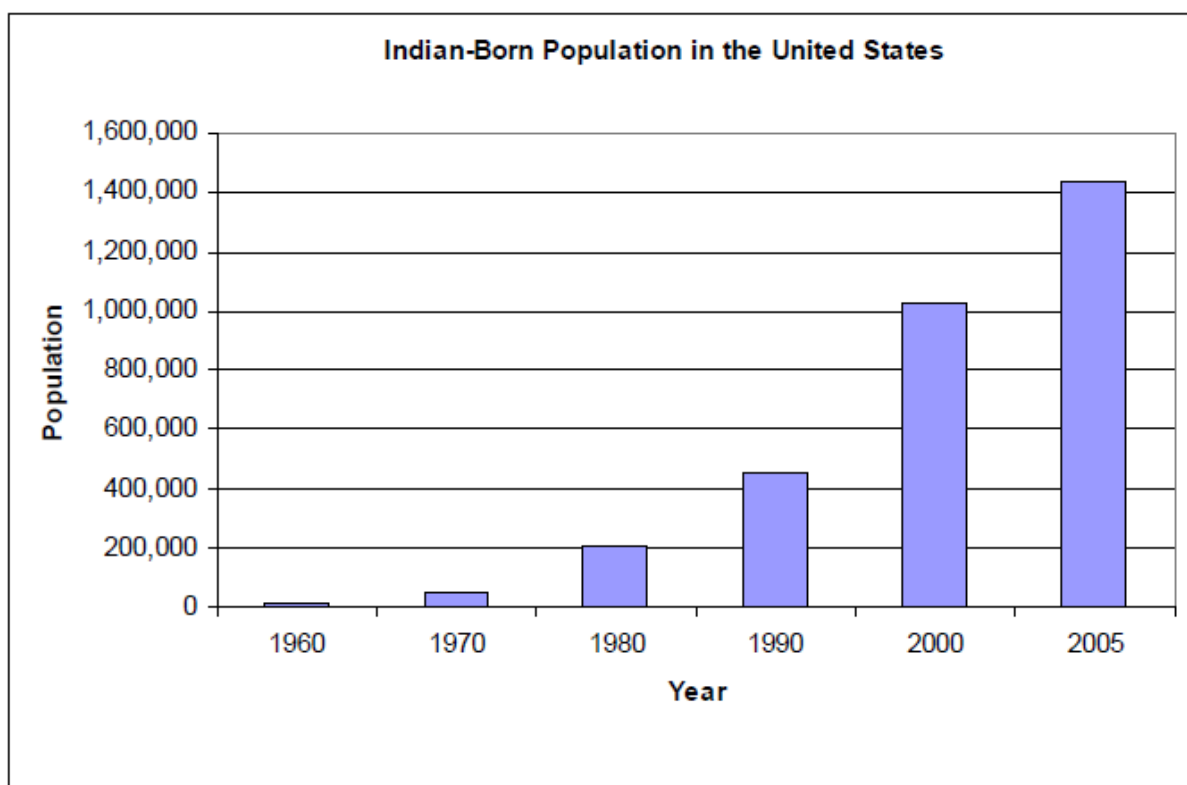
Source: Source: Khadria (2009) from Migration DRC 2007 aggregated figures

Since the 1990s, a large wave of highly-skilled engineers, students, doctors migrated to Europe and North America. Highly skilled immigration to the US reached a peak during the internet boom in the late 1990s (in 2001, 104,543 Indians entered the US with the highly skilled H1-B visa) (Khadria, 2009). While most migration in recent history is to North America, Europe or the Gulf States, there are still significant numbers of POIs in other parts of the world.

2.1.1 Indian Population in the U.S.

The figure below demonstrates the evolution of the Indian-born population in the U.S. between 1960 and 2005. According to Desai, Kapur, McHale and Rogers (2007), in the 1960s, only 12,296 Indian-born individuals were residing in the U.S. The Indian-born population grew to 450,406 in 1990 and had reached more than one million by 2000. In 2005, the population was close to 1.5 million.

Table 1: Indian-Born Population in the United States



Source: Sources: 1960 to 2000, Decennial Censuses; 2005, Current Population Survey, March Supplement, in Desai, M.A. D. Kapur, J. McHale and K. Rogers(2007) *The Fiscal Impact of High Skilled Emigration: Flows of Indians to the U.S.*

2.1.2 The Indian population in Europe

Beginning in the 1990s, immigration to Europe consisted mainly of Indian IT software specialists and has continued until today. According to Eurostat estimates⁵, Indian nationals were the fourth largest group of non-EU immigrants in the EU-27 in 2006 (behind Morocco, the Ukraine and China). Most people of Indian origin living in Europe are in the UK. With a diaspora of about 1.2 million, the UK accounts for two thirds of the Indian population in the EU (Sinhvi , 2001). According to the SOPEMI report of 2008, the stock of Indian migrants in the UK was 570,000 in 2008. In 2002, 20,369 migrated to the UK and by 2006 this number has increased to 51,849 Indians migrating to the UK annually.⁶

The Netherlands has the second largest Indian community in Europe, with a documented population of 16,470 in 2009. There has been a large increase in immigration from India to the Netherlands in the recent years. From 1995 to 2004, annual immigration from India accounted for around 600 to 700 people per year. The flows gained momentum 2005, when 1,214 Indians migrated to the Netherlands, which continued to increase in the following years, leading to a flow of 3,381 people in 2008.⁷

In the past decade, migration to Germany has been rather constant at around 9,000 entries per year. In 2002, 9000 Indians migrated to Germany. This number has dropped in 2005 to 8,303 and increased again in 2007 to 9,855.⁸

In comparison to United Kingdom and the United States, which have more than a million immigrants born in India and large inflow every year, The Netherlands and Germany have rather small inflows of Indian migrants. However, both The Netherlands and Germany have experienced an increase in Indian immigration and have expressed clear policy objectives to attract more highly skilled immigrants.

2.1.3 The Indian population in the Middle East

⁵ Available at: <http://ec.europa.eu/eurostat>, accessed on 25.8.2009.

⁶ CBS Databank website, accessed 8 September 2009.

⁷ CBS Databank website, accessed 8 September 2009.

⁸ CBS Databank website, accessed 8 September 2009.

According to Singhvi (2001), there are estimated to be at least 3 million NRIs based in the Middle East. Since the 1980s, the profile of workers in the Middle East has been shifting towards emigrants with higher socio-economic status. Some highly skilled migrants are now migrating to the Middle East, attracted by competitive salaries. Nevertheless, the bulk of emigration to the Middle East is still semi-skilled or low-skilled labor. Of the NRIs currently residing in the Middle East, it is estimated that approximately 70% are semi-skilled and unskilled, 20% are white collar workers and 10% are professionals. Migrants are mainly young males, more than half are from Kerala with the rest originating mainly from Andhra Pradesh, Goa, Karnataka and Tamil Nadu. They generally have little education and are often unmarried. There is a large demand for domestic workers and day labourers/construction workers in this region. The working and living conditions often leave much to be desired. Workers are usually placed on fixed-term contracts and forced to go home when the duration of their contract has been completed. Indian migrants have fewer rights in the Middle East compared to the other major destination regions (particularly with regard to family reunification and possibilities for naturalization). The two tables below illustrate the flow of migrants into selected countries between 1975 and 2000. Saudi Arabia and the United Arab Emirates host the largest populations. This population makes up a staggering 32 percent of the population in the U.A.E. In both Bahrain and Qatar, NRIs make up more than 20 percent of the population.

Table 2: Estimate of Indian Migrants in the Middle East

Country	1975	1979	1983	1987	1991	1999
Bahrain	1,725	26,000	30,000	77,000	100,000	150,000
Iraq	7,500	20,000	50,000	350,000	NA	NA
Kuwait	32,105	65,000	115,000	100,000	88,000	200,000
Libya	1,100	10,000	40,000	25,000	12,000	20,000
Oman	38,500	60,000	100,000	184,000	220,000	450,000
Qatar	27,800	30,000	40,000	50,000	75,000	100,000
Saudi Arabia	34,500	100,000	270,000	380,000	600,000	1,200,000
U.A.E.	107,50	152,000	250,000	225,000	400,000	750,000
Others	NA	68,000	21,000	21,000	10,000	130,000
Total	266,255	501,000	916,000	1,096,000	1,505,000	3,000,000

Source: Singhvi, 2001, Ch.3

Table 3: NRIs as a percentage of the total population in selected countries (2000)

Country	Population	No. of NRIs	% of population
Saudi Arabia	21,500,000	1,500,000	7
U.A.E.	2,800,000	900,000	32
Kuwait	2,200,000	287,600	13
Oman	2,200,000	340,000	15
Bahrain	643,000	130,000	20
Qatar	525,000	125,000	24

Source: Singhvi, 2001, Ch.3

3. Institutions

In 2000 the Government of India convened The High Level Committee on Indian Diaspora with the mandate to map the Indian diaspora in terms of its size, capacities to engage, its expectations and problems. The Report of the High Level Committee outlines a list of policy-oriented recommendations which served as the basis for most of the policies that were

introduced in the recent years with the aim of bringing Indians who live abroad closer to India. The target population for the policies and activities of the established institutions is Indian diaspora, which is referred to as people who have migrated from territories that are currently within the borders of the Republic of India and to their descendants (Singhvi, 2001). On the basis of Committee's recommendations, the Ministry of Overseas Indian Affairs (MOIA) was created. It was first established in May 2004 as the Ministry of Non-Resident Indians' Affairs and was soon afterwards renamed into its current title. MOIA is one of the smallest ministries in the Indian government. It serves as a single stop agency for any kind of matters relating to overseas Indians and is meant as a focal point for overseas Indians, immigrant organizations, as well as for trade, industry and any other organization with stakes in overseas Indian affairs. The Secretary of MOIA described its Ministry as "standing for converting international migration into an orderly and safe process by facilitating legal migration and curbing irregular migration in all forms" (Mohandas, 2009). The initiatives of the Ministry for the past 6 years have included "legislative reforms, regulatory reforms, process reforms and international cooperation" (ibid). The mandate of the Ministry can be summarized in three major points:

- 1) Developing networks with and amongst overseas Indians;
- 2) Empowerment and protection of emigrants;
- 3) Promotion and facilitation of trade and investments of overseas Indians in India.

Each of the major tasks is taken care of by one of the four functional service divisions. The Diaspora Services Division runs several schemes related to overseas Indians, ranging from establishing networks to engaging diaspora in development efforts and other types of initiatives. Empowerment and protection of emigrants is the overarching task of the second division of the Ministry, the Emigration Policy Division. It was established in March 2006 to deal with legislative reforms for improving emigration management. The third division is the Financial Services Division which promotes and enables trade and investments by overseas Indians in India. The Management Services Division of the Ministry is its fourth division and is in charge of all matters concerning the staff of the Ministry, such as wages, coordination of work, and leaves.

3.1 Institutional Support to MOIA

For implementing the mandate of the Ministry, a couple of institutions with more narrowly – defined tasks have been set up:

1. The Overseas Indian Facilitation Centre (OIFC)
2. The Indian Council of Overseas Employment (ICOE)
3. The Global Advisory Council at the Prime Minister’s Office
4. The India Development Foundation of Overseas Indians (IDF)
5. The Global Indian Network of Knowledge (Global-INK)
6. The Overseas Indian Centers (OIC)

The OIFC’s logo is “Intertwining Diaspora Wealth & Intellect with the Nation’s Progress”, which clearly points to its main objective, serving as a platform for economic engagements of Indian diaspora with India. Among other activities, OIFC organizes regular Investment and Interactive Meets at several locations, with the latest one taking place in June, 2010 in London. It has the important task of facilitation of a business focused online networking platform, where specialized staff addresses any kind of queries (OIFC Newsletter, 2010). It is a public-private initiative between MOIA and Confederation of Indian Industry. Its mandate is to promote investments, reduce transaction costs of business and enable knowledge exchange.⁹

The Indian Council of Overseas Employment (ICOE)¹⁰ was set up in 2008 to serve as a think tank to devise policies and strategies for promoting overseas employment. Its task is to study engagements of other countries and monitor trends in international migration so as to assist India in holding its position of a labour supplying country. By conducting country- and sector-specific market research, it identifies employment opportunities in the international labour market.

⁹ See <http://www.oifc.in/About-Us>, accessed on August 11, 2010.

¹⁰ See <http://moia.gov.in/services.aspx?id1=75&id=m1&idp=75&mainid=73>, accessed on August 11, 2010.

In addition to ICOE, the Prime Minister's Office set a Global Advisory Council of People of Indian Origin which meets twice a year to draw upon the experience and knowledge of eminent people of Indian origin in diverse fields from across the world. It works a high-level body to discuss means for accessing of knowledge of Indian diaspora in a way that it meets India's development goals. At the same time, the needs of overseas Indians are also addressed and included in policy recommendations to the Ministry.¹¹

The IDF has been created to assist overseas Indians to contribute to social development causes in India. Its purpose is to channelize diaspora philanthropy in a credible way (MOIA, 2008). The foundation forges partnerships between donors and non-governmental organizations working in the social sector in India. MOIA acknowledged that diaspora philanthropy has been sporadic and fragmented which leads to less than optimal outcomes. The IDF, therefore, serves as a one-stop-shop for building public private partnerships and function as a clearing-house for all information related to philanthropy. In this way, it promotes accountability in diaspora philanthropy. The Ministry has envisaged that such partnerships will lead to innovative projects, such as micro credit for rural entrepreneurs, self-help groups for economic empowerment of women, or 'best practice' interventions in primary education (IDF, 2008).

The Global Indian Network of Knowledge is an electronic platform created to facilitate the transfer of knowledge. It is functioning since January 1, 2010. The key objective of this initiative is to leverage the expertise of Indian Diaspora in a way that it links up with the institutional programmes for development and transformation, following the broad priorities set out in the Eleventh Five Year Plan (2007-12). The Government serves as a facilitator between the diaspora and institutions in India.¹²

¹¹ See <http://moia.gov.in/services.aspx?id1=284&idp=284&mainid=196>, accessed on August 12, 2010.

¹² See <https://globalink.in/home/about.asp>, accessed on August 11, 2010.

The Overseas Indian Centers (OIC) have so far been set up the Indian Missions in Washington and in Abu Dhabi. Their mandate is to provide field information on any matters relating to overseas Indians.

In addition to institutions set up the government, there is also a huge network of organizations run by emigrants. The organizations are clustered according to linguistic, regional, ethnic and professional background. There are at least 1000 Indian organizations in the UK and US, respectively (Khadria, 2008). Because of the conflicting relationship between the Indian government and Indian diaspora in the past, there used to be many political organizations. Nowadays, business and professional organizations are growing fast. Vezolli and Lacroix (2010) claim that current diaspora has not had much effect from the recent diaspora policies. Interviews with some Punjabi-led organization support this claim as they express a disinterest in state policies.

4. Diaspora engagement policies

The emigration management reforms are taking place at the national, bilateral and multilateral levels. At the national level, the Ministry is pursuing the possibility to replace the Emigration Act from 1983 with new legislation, adapting it to the recommendations of the High Level Committee. One of the main concerns is the welfare of emigrants. Potential migrants are being informed in advance about their employment prospects, and also about their rights and obligations; they can also take part of schemes for skill up gradation. In addition, protection of migrants is implemented through reforming the recruitment system which often turns migrant workers vulnerable to labour exploitation. The High Level Committee's Report mentions several ways the workers are mistreated in the Gulf region, either by recruiting agents or/and by employers. Employment agreements are often ignored, salaries are not paid on time or are held back for settlement of debts incurred by the payment of work permit fees and work hours are longer than a recognized workday (Singhvi, 2001, p.24). To prevent such malpractices, several institutions were set up for better protection and welfare of Indian workers. The Indian

Council of Overseas Employment has a mandate to promote overseas employment and to serve as a think tank to advise the government on interventions for better protection and welfare of overseas Indian workers ¹³. To offer on-site welfare services for overseas Indian workers, the Ministry established Indian Community Welfare Funds¹⁴ in 42 Indian missions in countries with large Indian populations¹⁵. The Overseas Workers Resource Centre (OWRC) provides information through a telephone help-line for any kind of questions or complaints from emigrants regarding employment and recruitment agencies. In addition, a Migrant Resource Centre has been established in Kochi, Kerala, which is the most important Indian state in terms of emigrant population size. More supervision over recruitment agencies is undertaken by the Protector General of Emigrants who is responsible for granting registration certificates to the agencies as well as for canceling and revoking them in case they do not comply with the agreed conditions. Previously, this function was implemented by the Emigration division of the Ministry of Labour and Employment and was attached to MOIA in December 2004 (MOIA, 2010). The Ministry is also in the process of implementing a comprehensive e-governance project on emigration, which would lead to a more convenient and transparent system and more effective protection of an emigrant. With a computerized management system, the data on all stakeholders in the emigration process should be reliable and up-to-date. The e-governance should become functional by 2011.

4.1 Bilateral cooperation

In pursuit of transparent and effective migration management, the Indian government has signed a number of agreements for bilateral cooperation with the most important countries of

¹³ See <http://moia.gov.in/services.aspx?id1=75&id=m1&idp=75&mainid=73>, accessed on August 10, 2010.

¹⁴ See <http://moia.gov.in/services.aspx?id1=345&idp=345&mainid=73>, accessed on August 10, 2010.

¹⁵ At the time of finishing this report, the ICWF had offices in the following countries : UAE, Saudi Arabia, Qatar, Oman, Kuwait, Bahrain, Malaysia, Libya, Jordan, Yemen, Sudan, Afghanistan, Indonesia, Syria, Lebanon, Thailand, Iraq and Maldives, Australia, Canada, Mauritius, Singapore, South Africa, Trinidad and Tobago, UK and USA, Fiji, Reunion Island, Guadeloupe/St. Martinique, France, Germany, Guyana, Israel, Italy, Jamaica, Kenya, Netherlands, New Zealand, the Philippines, Portugal, Suriname and Tanzania (ICWF, 2010).

destination. The first labour agreements were signed with Qatar and Jordan already in 1985 and 1988, respectively. For several years, no progress has been made in this area, until the Ministry of Overseas Indian Affairs made intense efforts to enter negotiations with the most important countries of destination for Indian workers. Since then, Memoranda of Understanding (MOU) have been signed with The United Arab Emirates in 2006, Kuwait in 2007, with Oman in 2008 and with Malaysia and Bahrain in 2009. Also, an additional protocol was signed in 2007 to the existing labour agreement between Qatar and India.¹⁶ MOIA is pursuing to negotiate a similar MOU with Saudi Arabia and Yemen.

In addition, the Indian government has signed a Memorandum of Understanding on Labour Mobility Partnership with Denmark, as the first such agreement with any European country. The MOU envisages cooperation between the two countries in various respects, including employment facilitation, promoting direct contact between Danish employers and potential workers in India, organised entry and orderly migration, and exchange of information and cooperation on best practices for mutual benefit of employment for qualified workers (MOIA, 2009). “Provisions on circularity of migration and its linkage with development are built into the partnership” (Mohandas, 2009).

It is in the interest of the Indian government to sign MOUs with other countries of destination which are in particular attractive for skilled migrants. As stated on the Ministry’s website, MOIA is currently pursuing to sign MOUs with Poland and Korea, and they have expressed an interest to sign similar labour agreements also with other European and Southeast Asian countries in the future (MOIA, 2010)

While labour agreements by and large cover provisions on enhancement of employment opportunities and on protection of workers, the bilateral social security agreements place the protection of overseas workers as the first priority. Such agreements improve the position of expatriate workers by providing social security coordination between the two countries.

¹⁶ The full texts of the mentioned MOUs can be found on <http://moia.gov.in/services.aspx?ID1=349&id=m4&idp=81&mainid=73>, accessed on August 10, 2010.

The first bilateral social security agreement was concluded with Belgium in 2006, followed by agreements with The Netherlands, Germany, France, Luxembourg, Denmark, Hungary, Czech Republic, and Switzerland. So far, only agreements with Belgium, Germany and France have entered into force. The agreements provide for exemption from social security contributions for migrant workers with a short-term contract, meaning a contract of up to 48 months in Germany¹⁷ and 60 months in Belgium¹⁸ and France¹⁹. According to the agreements, pension entitlements are no longer restricted to the place of residence, so Indian nationals are now entitled to receive pension payments in whichever country they live. Similar agreements have been initiated with other leading countries of destination, like the USA, UK and Canada.

4.2 Multinational cooperation

Besides concerted efforts towards bilateral cooperation with the leading countries of destination, the Indian government is engaged in a number of initiatives at the regional and global level. India is recognized as an important player in international migration, especially as a country of origin but also as a country of destination. For that reason, it is involved in agreements agreed upon by labour sending as well as receiving countries.

The Colombo Process is an example of such regional cooperation. India was one of the ten initial participating states which in Colombo, Sri Lanka in 2003 called for a forum purposefully created for regional consultations exclusively on migration issues. Currently, eleven member states of the process are Afghanistan, Bangladesh, China, India, Indonesia, Nepal, Pakistan, the Philippines, Sri Lanka, Thailand and Vietnam. The process also includes participants from destination countries, namely from Bahrain, Italy, Kuwait, Malaysia, Qatar, Republic of Korea,

¹⁷ Article 5 (1) Agreement Between The Republic Of India And The Federal Republic Of Germany On Social Insurance, retrieved from http://moia.gov.in/pdf/SSAGermanyAgreementENG_final_INDAside.pdf

¹⁸ Article 8 (1) Agreement on Social Security Between The Kingdom Of Belgium and the Republic Of India, retrieved from <http://moia.gov.in/pdf/BelgiumSSASignedversion.pdf>

¹⁹ Article 5 (1) and (2) Agreement on Social Security Between The Government Of The Republic Of India and The Government Of The French Republic, retrieved from http://moia.gov.in/pdf/SSAFranceEng_versionforIndia.pdf

Saudi Arabia and the United Arab Emirates. The main objective on the regular meetings among the labour sending countries is to share experiences and learn best practices on legal migration. A stated goal for the involved participant countries is to manage migration in a way that it benefits all stakeholders, meaning sending and destination countries as well as overseas workers and their families. Such regulated flows should in turn lead to development benefits. For this purpose, the consultations evolve around development of new employment markets, increasing remittance flows and facilitating the development impact of remittances, trainings and skills development. A number of policy studies, aimed primarily for decision-makers and practitioners, have been carried out to support these efforts. Reports and handbooks have been published on effective labour migration policies, which would provide protection of migrant workers and enhance development benefits. Specific initiatives in the member states are assessed, upon which examples are drawn for best practices (Colombo Process, 2010).

The Colombo Process is supported by the International Organisation for Migration (IOM), which plays a key role for international and global initiatives in international migration. It provides a platform for linking up countries, international organizations, NGOs, and other actors with stakes in migration. The Government of India signed a Memorandum of Understanding with the IOM, agreeing on conditions for joint implementation of programmes aiming towards better management of legal employment of Indian workers in European Union. Under the EU funded AENEAS programme, the Ministry and IOM have set up an already mentioned Migration Resource Center in Kerala. Another information dissemination campaign is implemented by the IOM in the District of Jalandhar in the State of Punjab. It aims to enhance the knowledge about the opportunities for legal migration and warn about the risks of irregular migration to Europe and, for this specific project, the information focuses on Belgium in particular (IOM India, 2010).

The growing importance of Indian highly skilled migration for the European Union has been illustrated by an increasingly intensive co-operation in this field. An India-EU Joint Working Group on Consular issues has been in place since the first EU-India Summit in 2000. The Working Group meets twice a year and deals *inter alia* with the question on how to facilitate the

movement of persons between India and the EU. Even though the focus is set on more practical issues, such as the speedy delivery of consular and visa services, more general topics of interest in the area of migration are also discussed. The importance of the subject of migration in the context of EU-India relations was emphasised in the Strategic Partnership Joint-Action Plan²⁰ adopted at the EU-India summit in 2005. Behind the background of sizeable migratory movements between the EU and India, the government representatives identified the facilitation of movement of people as an important objective. Both parties voice their intention to hold dialogues on aspects related to migration and to encourage institutions to undertake joint studies on problems relating to skill-set shortages and the changing of demographic profiles.

The Indian Government is involved in several other multilateral initiatives and agreements, some of which center exclusively on migration issues while the others have migration only as one of the many themes of discussion. Examples of such initiatives, of which India is an active member, are The Asia-Europe Meeting (ASEM) and an example of the former is The Global Forum on Migration and Development (GFMD).

Examples of diaspora engagement policies

In the following section, we present some of the most visible policies reaching out to the Indian overseas community, some of which focus on capacity building and the others aim directly at facilitating the link between migration and development.

In response to persistent demands for dual citizenship from Indian diaspora and the fact that the Indian constitution does not allow dual citizenship, the government came up with an original solution of offering a 'quasi' dual citizenship. The Overseas Citizenship of India (OCI) scheme was introduced in August 2005 by amending the Citizenship Act, 1955 (MOIA, 2010). In that way a legal bond is created with people who have lost their Indian nationality. When the

²⁰ See The India-EU Strategic Partnership Joint Action Plan of 7 September 2005, available at: http://ec.europa.eu/external_relations/india/docs/joint_action_plan_060905_en.pdf, accessed on 26.8.2009.

PIO card scheme was created in 1999, it was mainly targeting people who have left India a long time ago, mostly prior to Independence. Descendants of Indian migrants to up to fourth generation are eligible for it. On the contrary, the OCI scheme targets specifically PIOs who were citizens of India on or after January 26, 1950 or were eligible to become citizens of India on that day.²¹ The OCI status entitles its holders a lifelong, multiple entry visa for multiple purposes to India and exempts them from registration with Foreigners Regional Registration Office for any length of stay in India. A registered Overseas Citizen of India is entitled to general 'parity with Non-Resident Indians in respect of all facilities available to them in economic, financial and educational fields except in matters relating to the acquisition of agricultural or plantation properties'. They enjoy some further benefits, such as parity with local visitors in respect to entrance fees to the national parks. However, the OCI does not confer political rights. They still cannot vote or hold public office. The scheme entered into force in January, 2006 and by the end of February, 2010, a total number of 552 355 Persons of Indian Origin have been registered as OCIs (MOIA, 2010).

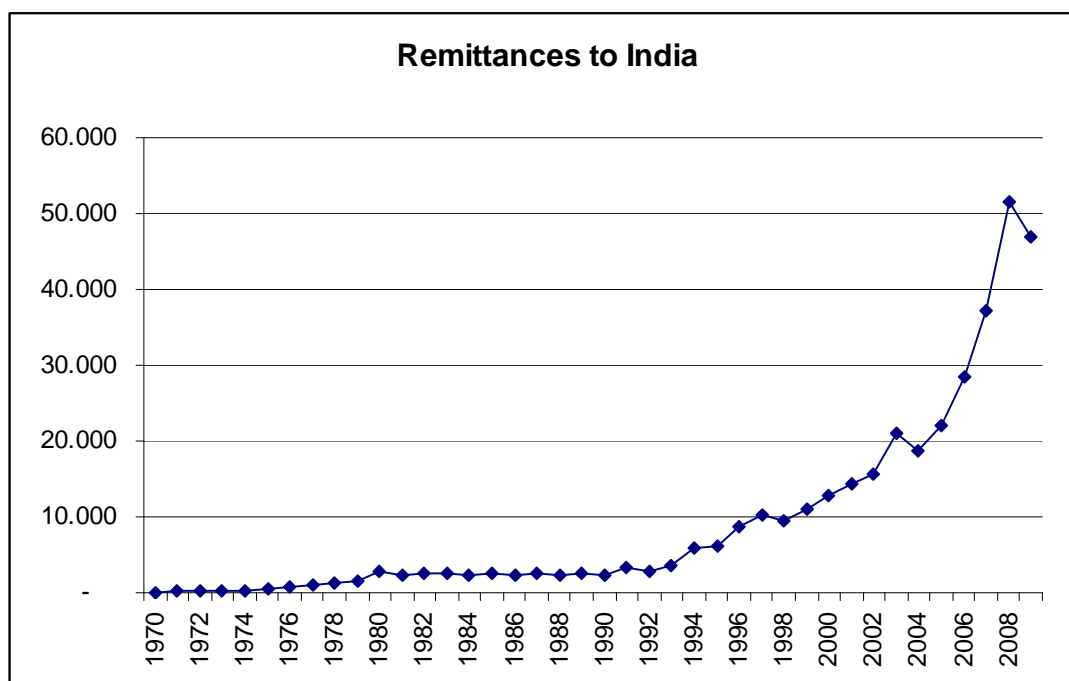
Other measures which link the diaspora with India include the above mentioned Pravasi Bharatiya Divas conventions, which stand for a Day of Non-resident Indians. Every 9 January since its inception in 2003, Indian officials gather with diaspora representatives to honour high-profile Indians for their exceptional achievements. The prestigious Pravasi Bharatiya Samman Award is conferred by the President of India on an individual or an institution run by an NRI or PIO. These conventions are also useful for networking among overseas Indians and an opportunity for migrants to express their concerns. While this event targets the established members of diaspora, several other initiatives focus on diaspora youth. One such initiative is called Scholarship Programme for Diaspora Children (SPDC). The scheme offers 100 scholarships to children of overseas Indians to take part at undergraduate courses at Indian universities. It is open to NRIs or PIOs from 40 countries which have large Indian population (MOIA, 2010). A step to further make links with the younger generation of Indian diaspora is the establishment of a PIO/NRI Universities. The first such university for children of overseas

²¹ It does not apply for citizen of Bangladesh or Pakistan.

Indians is planned to be set up in Manipal, Karnataka. Proposals for setting up more universities of this kind are currently in the process of examination. Diaspora youth can also make use of the “Know India Programme” (KIP), which is a three-week orientation programme through various aspects of contemporary Indian life, that is its cultural life, economic development, educational system and also through typical rural life in India. Another schemes run explicitly for the benefit of the Indian diaspora is “Tracing the Roots” started in October 2008. So far, the roots of four applicants have been successfully found (MOIA, 2010).

The initiatives mentioned so far, are designed for creating and maintaining social bonds between the diaspora and contemporary India. They can be described as capacity building policies which have goals to create transnational identity and to foster contacts with the country of origin (Gamlen, 2006). The OCI, the schemes for youth exchange and awards for the most deserving diaspora individual or institution all aim at creating the feeling that overseas Indians belong to the Indian global family. In order to optimize the economic development impacts of diaspora engagement, a further engagement of governments takes place and focuses on facilitation of remittance flows, investments and skills transfers. In line with the lack of any other diaspora engagement policies till the 1990s, there were also no policy measures to increase the remittance flows. Despite the lack of specific policy measures, remittances increased considerably (see Figure 2) in the early 1990s due to economic reforms which instituted a liberalized exchange rate regime and current account convertibility(Kumar Varma, U. & Sasikumar, S. K., 2005). Due to these changes, most remittances were now channeled through formal routes. In addition, the money transfer service schemes have been introduced to make the transfer of remittances faster and easier. This scheme links the money transfer companies abroad with agents in India, which then give funds to recipients at current exchange rates (Kumar Varma, U. & Sasikumar, S. K., 2005). The amount of remittances has increased tremendously in the last years, from 15.8 billion US dollars in 2001-2002 to 46.9 billion in 2008-2009 (MOIA, 2010). Chishti (2007) ascribes such increase to the reduced use of informal channels, greater competition among money transfer organizations, the change in the earnings composition of Indian migrants and to the general improvement of the Indian economy.

Figure 2: Remittances to India from 1970 to 2008



Source: World Bank, 2009

The deposit schemes for overseas Indians were one of the first diaspora engagement policies by the Indian government. Already since the 1970s, a number of schemes enabled NRIs to open deposit accounts exclusively created for NRIs. At the time, India was in great need of foreign currency. The incentives included high interest rates for deposits in foreign currency, exchange rate guarantees for foreign currency accounts. It facilitated the repatriation of deposits; the exemption of income and wealth tax for deposits and there was no ceiling on the mounts deposited. However, we can nowadays evidence a total shift with respect to NRI deposits policies. Exchange guarantee schemes have been withdrawn, the interests rates have been aligned to those of the international rate of relevant currencies, the interest rates on rupee deposits with domestic interest rates and also the ceiling on the amounts has been lowered. Also, the income from interests on NRI deposits is now taxed. Several reasons underlie this shift, but for the most part such reversal of policies took place since the NRI deposits started to be viewed as contributing to external debt (Kumar Varma, U. & Sasikumar, S. K., 2005).

Adding to an encompassing policy framework for financial services, India also introduced the Prevention of Money Laundering Act, 2002 which aims to strengthen the national financial system (Kumar Varma, U. & Sasikumar, S. K., 2005).

A distinctive feature for financial engagement of Indian diaspora is its short-term perspective. Overseas Indians have proven as important players in contributing to India's development through remittances and NRI deposits. To the contrary, Foreign Direct Investment from the Indian diaspora has been weak, especially considering the financial capabilities of its large population abroad. In an effort to increase investments, the Indian government twice issued Resurgent India bonds guaranteed by the State Bank of India, available only to overseas Indians. The first time, the bonds were issued in 1998 and the second time in 2000 (Newland & Patrick, 2004). As mentioned earlier, the Indian government has created a set of institutions with the objective to facilitate investments of overseas Indians, such as the Global INK and OIFC. Moreover, one of the MOIA's functional divisions focuses on facilitation of investments, trade and business partnerships between overseas Indian and Indian businesses.

5. Debates on the role of emigrants

History

After discussing a whole list of institutions and initiatives for cooperation in the field of diaspora engagement, one must not forget that all these initiatives are a very recent development. India is seen as engaging their diaspora quite late given the fact that they have had a large diaspora for centuries. For a long time, the Indian government paid little attention to its diaspora. India's official position was that emigrants deserted their country and are harmful to the country's interests (Castles, 2008). There was a prolonged period of 'conscious de-linking' (Sinha and Kerkhoff, 2003), which prevailed from the independence onward until the 1980s (Lall, 2001).

There have been three main phases in diaspora policy: first with the 'Gandhian approach', second the 'Nehruvian approach' and lastly the 'Vajpayeean' approach of the present government (Sinha – Kerkhoff & Bal, 2003).

As early as the beginning of the 1900s, we can already find a view on emigrants. In a report of the Committee on Emigration from India to the Crown Colonies and Protectorates in 1910, Lord Salisbury wrote:

From an Indian point of view, it is desirable to afford an outlet from these redundant regions into the tropical and sub-tropical dominions of Her Majesty, where people who hardly earn a decent subsistence in their own country may obtain more lucrative employment and better lives..... From an imperial point of view it seems proper to encourage emigration from India to the colonies well fitted for Indian populations. It is better for India that they should return to this country with her savings and their place in the colony should be taken by others who are in need of employment.

However, not everyone agreed with this line of reasoning at the time. According to Sinha Kerkhoff and Bal (2003), the Indian government believed 'it was in India's best interests that the emigrants should return with their savings' and they suggested that those who returned were 'unsettled by the easier life they lead in the colonies' and that they were 'generally unable to settle down again to the harder conditions of life prevailing in their native villages and to use their capital economically'. Referring to early remittances, they criticize the fact that, 'with the assistance of their relations and friends they dissipate their savings and then seek to return to the colonies'. These officials thought that it was therefore better that, 'these immigrants should settle in the colonies where they have served their term of probation'. They added that 'even in the event of abolition of the industry' there ought not to be 'any necessity for the repatriation of the large number of immigrants'. The common outlook of the Indian government was that migration should be encouraged.

Until India became independent, international migrants were seen as part of the (future) Indian nation in Gandhian ideology. There was a rise in a national movement in British India which pushed for independence and called on the support of the diaspora abroad in this quest. The 'overseas Indians', played a key role during the movement for independence. They were first important in the struggle against the indenture system and later as part of the campaigns against the mistreatment and discrimination of Indians in overseas colonies (Sinha-Kerkhoff & Bal, 2003).

After India gained its independence in 1947, attitudes towards the diaspora changed. The new policy towards the diaspora has been characterized as 'studied indifference' (Parekh 1993). This marked a shift from the Gandhian ideology to the (Pandit Jawaharlal) Nehru ideology. Nehru did not consider including overseas Indians as part of the Indian nation. He believed that 'expatriate Indians had forfeited their Indian citizenship and identity by moving abroad and did not need the support of their mother country'. As a result, overseas Indians were not considered in India's foreign policy (Lall 2001). The official policy of Nehru was:

It is the consistent policy of the government that persons of Indian origin who have taken foreign nationality should identify themselves with and integrate in the mainstream of social and political life of the country of their domicile. The government naturally remains alive to their interests and general welfare and encourages cultural contacts with them. As far as Indian citizens residing abroad are concerned, they are the responsibility of the government of India (quoted in Lall, 2001:169)

He believed that people should only identify with one place and that in this case it should be the country in which you are residing. He did, however, believe that 'Wherever in this world there goes an Indian, there is also a bit of India with him' (quoted in Sinha Kerkhoff & Bal, 2003). Such negative attitudes toward emigrants were particularly evident during the attacks on Indians at the time of decolonization in Africa, in particular in Uganda and Kenya, and in Fiji since the 1980s. India refused to accept them back to India claiming they are no longer Indians. His policies were the dominant view until the 1990s. However, there were glimmers of other visions. According to Sinha and Kerkhoff (2003), Bahadur Singh (1979) believed that the 'Indian diaspora was part of India'. He held the view that

It would only be natural for us to turn to the one resource on which we have a national claim. This resource is the large funds, which are at the command of people of Indian origin overseas. Sentimentally they also would like to give first preference to India (quoted in Sinha-Kerkhoff & Bal, 2003)

With the Janata government in 1977 there were some changes in policy towards the overseas Indians. This government introduced new entry laws so that overseas Indians could return to India even with foreign passports (Dutt, 1980). The minister for foreign affairs at the time also

stated that India would 'never disown overseas Indians, or fail to appreciate their loyalty to the mother land' (quoted in Sinha Kerkhoff & Bal, 2003). At the 1977 seminar held at the Indian International Center in New Delhi to consider the status of Indians living abroad, the Minister of External Affairs stated:

The subject of overseas in Indians is one which is very dear to our hearts....everyone of Indian origin overseas is a representative of India and retains many aspects of our cultural traditions and civilization. Though our sons and daughters have gone aboard to work or to reside there, India will never disown them or fail to appreciate and respect their essential loyalty to the culture and heritage of the mother country. (Foreword, Report of the High Level Committee on the Indian Diaspora, 2001)

A major shift in thinking about Indians abroad took place in the 1990s when the Hindu nationalist party, Bharatiya Janata Party (BJP) won elections in 1998. One of the first steps for diaspora engagement was the introduction of the PIO card in 1999, which created a new status linking the diaspora with the motherland for the first time since they left. Such a swift change in the attitude towards diaspora came at the time of economic liberalization and globalization. Ethnic networks started to be seen as value free networks which can serve as a resource. In the view of Prof. Ajay Dubey, with such a responsible approach towards its diaspora India showed confidence, accepting that one can have more than one loyalty (A. Dubey, personal communication, February 10, 2009).

Current situation

Today, the government has made a clear commitment by creating permanent institutions and dedicating resources for services that cater to their needs at the national and local level (Rannveig Agunias, 2009). The growing economic and political importance of the diaspora led to India's cultivation of their relationship with overseas populations. The first Pravasi Bharatiya Diwas was organized in 2003 in New Delhi, reaching out to a diaspora in a grand way. The objective of the gathering was "to bring the Indian family from all over the world together. Also, to acquaint the Indian people with the achievements of the Indian diaspora and to use them as a bridge to strengthen relationships between India and the host countries in this age of globalization" (Sinha-Kerkhoff & Bal, 2003). While in the past, overseas emigrants were often

referred to as Non-required Indians (a parody of the term Non-resident Indian), nowadays they are addressed as members of the Indian family or 'Mother India's Children' (Sinha-Kerkhoff&Bal, 2003). When the Prime Minister Manmohan Singh addressed the diaspora in January 2010 at an annual gathering, he spoke of the immense pride he feels for the achievement of Indian diaspora. Overseas Indians are applauded for their achievements which "have made a great contribution in changing the image of India to the world at large" (Singh, 2010). The High Level Committee on Indian Diaspora was given a mandate and sufficient time to come up with an exhaustive report, including profiles for 22 areas of migration destination and recommendation pertaining to Indian diaspora. It covered recommendations in the following fields: consular issues, culture, economic development, education, health, media, science and technology, philanthropy, dual citizenship and diaspora relations and its organizational structure. In this way, a holistic agenda has been created for the Ministry, which is sensitive to the big variety among the diaspora based on different culture, language, skills, religion and geographical regions. By setting up the MOIA in 2004, the Government of India declared its long-term commitment to reach out to their migrants. By dedicating sufficient time and resources for creating institutions, the Indian Government shows its assurance in the link between migration and development.

Conclusion

Indian emigration has a long history and has been sustained over time. It has always had an economic component and was linked with its colonial history to Britain. Today there is a widespread diaspora all over the world, although the main regions of interests are currently North America (United States and Canada), Europe (mainly the United Kingdom) and the Middle East. Each of these regions attract a different kind of immigrant with the very highly skilled migrating to North America and the low-skilled mainly migrating to the Middle East.

In their study on diaspora engagement for GTZ, Vezzoli. and Lacroix (2010) came to the conclusion that:

Government's perceptions of its own migrants shape the manner in which migrants are described in public discourse, whether they are seen as a positive or negative force and, as a consequence, whether they are included or excluded from national policy. A country's migration history and trends greatly influence these perceptions and will shape the strategy adopted by a government towards its migrant communities.

Government attitudes towards the India diaspora have shifted due to changing interests and ideologies. It was only in the late 1990s that the India government began to take an interest in their diaspora. India's official position towards its migrants was that they were deserters of their country and a harmful opposition to the country's interests (Cohen, 2008; Castles, 2008). It was only in the past decade the India took a real, active interest in their diaspora. Emigrant are now seen as agents of development and India has taken a more active emigration policy, promoting the training of Indian in specific sectors like IT and are now seen as a source of pride for the country (Vezzoli and Lacroix, 2010). The diaspora is further negotiating its position in the development of India. It is no longer asking only for possibilities for economic engagement but wants to have a greater say also in India's political developments. For example, the diaspora is asking to be represented in the Parliament through the Third Chamber (A. Dubey, personal communication, February 10, 2009). An even more pressing issue is the inability to vote from abroad for non-resident Indians. The Prime Minister has recognized this as a major concern and expressed hope that they will be able to vote for the next regular general elections. In his speech at PBD 2010, the Prime Minister encouraged more overseas Indians to join politics and public life as they are also doing in the economic sector (Singh, 2010). Such orientation is opening up the currently economically focused approach to be more wide-spread and long-term oriented. Most of the policies are still very fresh or still in the process of enactment, but the Indian government has already showed a strong will and managed to make itself visible throughout the Indian community and. Vezzoli and Lacroix (2010) made a very flattering assessment of the Indian diaspora engagement by naming it "one of the most comprehensive in the world". The fact that the Indian government is open to suggestions coming from various sources, sends a positive message that it is responsive to the needs of the stakeholders in the process and that they are both aiming towards the same goal.

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Appendix

- Ministry of Overseas Indian Affairs

www.moia.gov.in

- Overseas Indian Facilitation Centre (OIFC)

<http://www.oifc.in/>

- official e-zine Overseas Indian

<http://www.overseasindian.in/>

- Colombo Process

<http://www.colomboprocess.org/>

- Global INK

www.globalink.in

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